

## COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

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October 07, 2014

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

**Dear Supervisors:** 

### **ADOPTED**

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

18 October 7, 2014

gichi d. Hamai SACHI A. HAMAI EXECUTIVE OFFICER

# REQUEST TO ACCEPT COMPROMISE OFFERS OF SETTLEMENT (ALL DISTRICTS AFFECTED) (3 VOTES)

#### **SUBJECT**

This is to request Board approval to accept compromise offers of settlement for patients who were injured in a third party compensatory accident and received medical care at a County facility. The Treasurer and Tax Collector (TTC) entered into negotiations with the liable parties and reached the following settlement agreements which were beyond the Department Head's authority.

#### IT IS RECOMMENDED THAT THE BOARD:

Pursuant to Section 1473 of the Health and Safety Code, authorize acceptance of the following compromise offers of settlement:

- 1. Account Number 12826198 in the amount of \$ 7,000.00
- 2. Account Number 12749669 in the amount of \$ 2,301.60
- 3. Account Number 12816987 in the amount of \$ 4,704.55
- 4. Account Number 12826851 in the amount of \$ 5,707.00
- 5. Account Number 12269351 in the amount of \$71.645.82
- 6. Account Number 12843170 in the amount of \$ 8.333.33
- 7. Account Number 12777174 in the amount of \$ 3,800.00
- 8. Account Number 12643926 in the amount of \$ 5,833.41

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#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

These compromise offers of settlement are recommended because the subject patients are unable to pay the full amount of charges and the compromise offers represent the maximum amount the Department was able to negotiate or was offered under the legal settlement requirements involved in these cases.

The best interest of the County would be served by authorizing acceptance of these compromise offers of settlement, as they will ensure maximum possible collection on these accounts.

#### **Implementation of Strategic Plan Goals**

The recommended action supports Goal 1, Operational Effectiveness/Fiscal Sustainability, of the County's Strategic Plan by collecting funds owed to the County.

#### FISCAL IMPACT/FINANCING

The recommended action supports Goal 1, Operational Effectiveness/Fiscal Sustainability, of the County's Strategic Plan by collecting funds owed to the County.

#### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Under County Code Chapter Section 2.52.040(U), the TTC Department Head has the authority to reduce patient account liabilities by the greater of: (i) \$15,000, or (ii) \$75,000 or 50 percent of the account balance, whichever is less. Any reduction exceeding the Department Head's authority requires Board approval.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Authorizing acceptance of these compromise offers of settlement will result in net revenues for the County, which will in turn assist the County in meeting its fiscal responsibilities.

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Respectfully submitted,

MARK J. SALADINO

Treasurer and Tax Collector

MJS:FR:apl

**Enclosures** 

c: c: Chief Executive Officer

### COUNTY OF LOS ANGELES - TREASURER AND TAX COLLECTOR TRANSMITTAL NO. 132A

Amount of Aid	\$31,571.00	Account Number	12826198
Amount Paid	0.00	Name	Adult Male
Balance Due	\$31,571.00	Service Date	06/29/2012 – 07/02/2012
Compromise	Ψ31,371.00	Date	00/29/2012 - 07/02/2012
Amount Offered	7,000.00	Facility	Harbor UCLA Medical Center
Amount to be		Service	
Written Off	\$24,571.00	Type	Inpatient

#### JUSTIFICATION

The client was involved in a truck versus bicycle accident. He was treated at Harbor UCLA Medical Center at a cost of \$31,571.00. The client did not have Medi-Cal or private insurance.

The attorney has settled the case for the amount of \$30,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$12,000.00	\$12,000.00	40.00%
Attorney Cost	2,576.91	2,576.91	8.59%
City of Los Angeles Fire Department	1,499.00	300.00	1.00%
County of Los Angeles	31,571.00	7,000.00	23.33%
Michael Schiffman, M.D.	5,390.00	1,200.00	4.00%
Southern California Orthopedic Institute – Pharmacy	1,630.00	400.00	1.33%
West Star Physical Therapy	4,948.00	1,100.00	3.67%
Net to Client	N/A	5,423.09	18.08%
Total	\$59,614.91	\$30,000.00	100.00%

Our financial investigation reveals that the client supports himself with a marginal income and has no tangible assets.

### COUNTY OF LOS ANGELES - TREASURER AND TAX COLLECTOR TRANSMITTAL NO. 132B

Amount of Aid	\$19,760.00	Account Number	12749669
Amount Paid	0.00	Name	Adult Male
Balance Due	\$19,760.00	Service Date	12/09/2011 – 02/25/2013
Compromise Amount Offered	2,301.60	Facility	Olive View-UCLA Medical Center
Amount to be Written Off	\$17,458.40	Service Type	Inpatient/Outpatient

#### **JUSTIFICATION**

The client was involved in an automobile versus automobile accident. He was treated at Olive View-UCLA Medical Center at a total cost of \$70,796.21. Hanover Insurance is a Worker's Compensation Insurance Company and covered \$51,036.21 of the medical costs the client incurred while at Olive View-UCLA Medical Center. The County's lien is for the balance of \$19,760.00. The client did not have Medi-Cal.

The attorney has settled the case for the amount of \$15,000.00 and proposes the following disbursement:

		Proposed	Percent of
Disbursements	Total Claim	Settlement	Settlement
Attorney Fees	\$ 4,950.00	\$ 4,950.00	33.00%
Attorney Costs	145.11	145.11	0.97%
County of Los Angeles	19,760.00	2,301.60	15.34%
Hanover Insurance	51,036.21	5,918.40	39.46%
Net to Client	N/A	1,684.89	11.23%
Total	\$75,891.32	\$15,000.00	100.00%

Our financial investigation reveals that the client supports himself with a marginal retirement income and is partially supported by his family. He has no other source of income or tangible assets.

## COUNTY OF LOS ANGELES - TREASURER AND TAX COLLECTOR TRANSMITTAL NO. 132C

Amount of Aid	\$28,318.00	Account Number	12816987
Amount Paid	0.00	Name	Adult Male
Balance Due	\$28,318.00	Service Date	07/14/2013 - 08/29/2013
Compromise Amount Offered	4,704.55	Facility	LAC USC Medical Center
Amount to be Written Off	\$23,613.45	Service Type	Inpatient/Outpatient

#### **JUSTIFICATION**

The client was involved in an automobile versus automobile accident. He was treated at LAC USC Medical Center at a cost of \$28,318.00. The client did not have Medi-Cal or private insurance.

The attorney has settled the case for the amount of \$15,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 5,000.00	\$ 5,000.00	33.33%
Attorney Cost	146.63	146.63	0.98%
City of Los Angeles Fire			
Department	1,483.25	246.57	1.64%
County of Los Angeles	28,318.00	4,704.55	31.37%
Net to Client	N/A	4,902.25	32.68%
Total	\$34,947.88	\$15,000.00	100.00%

Our financial investigation reveals that the client is unemployed and homeless. He has no source of income or tangible assets.

## COUNTY OF LOS ANGELES - TREASURER AND TAX COLLECTOR TRANSMITTAL NO. 132D

Amount of Aid	\$23,100.00	Account Number	12826851
Amount Paid	0.00	Name	Adult Female
		Service	
Balance Due	\$23,100.00	Date	03/16/2013 - 09/27/2013
Compromise			
Amount Offered	5,707.00	Facility	LAC USC Medical Center
Amount to be		Service	
Written Off	\$17,393.00	Туре	Outpatient

#### **JUSTIFICATION**

The client was involved in an automobile versus bicycle accident. She was treated at LAC USC Medical Center at a cost of \$23,100.00. The client obtained Medi-Cal effective December 16, 2013; therefore, these services were not covered by Medi-Cal. The client did not have private insurance.

The attorney has settled the case for the amount of \$25,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 8,333.33	\$ 8,333.33	33.33%
Attorney Cost	388.17	388.17	1.55%
City of West Covina Fire			
Department	1,862.19	460.00	1.84%
County of Los Angeles	23,100.00	5,707.00	22.83%
Edward G. Stokes, M.D.	500.00	123.00	0.49%
Hoa Doon, D.C.	1,260.00	310.00	1.24%
Kaiser Permanente	1,942.65	480.00	1.92%
Medstar Physical Therapy	5,059.57	1,250.00	5.00%
Net to Client	N/A	7,948.50	31.80%
Total	\$42,445.91	\$25,000.00	100.00%

Our financial investigation reveals that the client is unemployed and supports herself with disability benefits. She has no other source of income or tangible assets.

### COUNTY OF LOS ANGELES - TREASURER AND TAX COLLECTOR TRANSMITTAL NO. 132E

Amount of Aid	\$667,876.00	Account Number	12269351
Amount Paid	0.00	Name	Adult Female
Balance Due	\$667,876.00	Service Date	02/13/2010 09/07/2010
Compromise	\$007,070.U <u>U</u>	Date	02/13/2010 = 09/07/2010
Amount Offered	71,645.82	Facility	LAC USC Medical Center
Amount to be		Service	
Written Off	\$596,230.18	Туре	Inpatient/Outpatient

#### JUSTIFICATION

The client was involved in a multiple vehicle collision. She was treated at LAC USC Medical Center at a cost of \$667,876.00. The client did not have Medi-Cal or private insurance.

The attorney has settled the case for the amount of \$275,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 71,645.82	\$ 71,645.82	26.05%
Attorney Cost	60,062.53	60,062.53	21.84%
County of Los Angeles	\$667,876.00	71,645.82	26.05%
Net to Client	N/A	71,645.83	26.06%
Total	\$799,584.35	\$275,000.00	100.00%

In this case, the attorney's costs consisted of automotive consultants and accident reconstruction experts. These services assisted the attorney in settling the case without the need for a trial. The legal costs could have been higher, if a trial was pursued. After the attorney fees and costs, 52.11 percent of the settlement was available for the client and the County, the only medical provider.

Our financial investigation reveals that the client is unemployed, lives with a friend, and receives General Relief benefits. The Department of Public Social Services has been notified of the pending settlement. She has no other source of income or tangible assets.

### COUNTY OF LOS ANGELES - TREASURER AND TAX COLLECTOR TRANSMITTAL NO. 132F

Amount of Aid	\$101,889.00	Account Number	12843170
Amount Paid	0.00	Name	Adult Male
		Service	
Balance Due	\$101,889.00	Date	11/12/2012 – 12/19/2012
Compromise			
Amount Offered	8,333.33	Facility	LAC USC Medical Center
Amount to be		Service	
Written Off	\$ 93,555.67	Type	Inpatient/Outpatient

#### **JUSTIFICATION**

The client was involved in an automobile versus automobile accident. He was treated at LAC USC Medical Center at a cost of \$101,889.00. The client did not have Medi-Cal or private insurance.

The attorney has settled the case for the amount of \$25,000.00 and proposes the following disbursement:

19		Proposed	Percent of
Disbursements	Total Claim	Settlement	Settlement
Attorney Fees	\$ 8,333.33	\$ 8,333.33	33.33%
Attorney Cost	0	0	0
County of Los Angeles	101,889.00	8,333.33	33.33%
Net to Client	N/A	8,333.34	33.34%
Total	\$110,222.33	\$25,000.00	100.00%

Our financial investigation reveals that the client is disabled, unemployed, and is supported financially by his family and friends. He has no other source of income or tangible assets.

### COUNTY OF LOS ANGELES - TREASURER AND TAX COLLECTOR TRANSMITTAL NO. 132G

Amount of Aid	\$19,786.00	Account Number	12777174
Amount Paid	0.00	Name	Adult Female
Balance Due	\$19,786.00	Service Date	04/26/2013-05/09/2013
Compromise Amount Offered	3,800.00	Facility	Harbor UCLA Medical Center
Amount to be Written Off	\$15,986.00	Service Type	Inpatient/Outpatient

#### JUSTIFICATION

The client was involved in an automobile versus automobile accident. She was treated at Harbor UCLA Medical Center at a cost of \$19,786.00. The client obtained Medi-Cal effective January 1, 2014; therefore, these services were not covered by Medi-Cal. The client did not have private insurance.

The attorney has settled the case for the amount of \$15,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 5,000.00	\$ 5,000.00	33.33%
Attorney Cost	150.00	150.00	1.00%
County of Los Angeles	19,786.00	3,800.00	25.33%
McCormick Ambulance	1,792.00	342.00	2.28%
Wilmore Premier Health Group	3,710.00	708.00	4.72%
Net to Client	N/A	5,000.00	33.34%
Total	\$30,438.00	\$15,000.00	100.00%

Our financial investigation reveals that the client supports herself with a marginal income. She has no other source of income or tangible assets.

### COUNTY OF LOS ANGELES - TREASURER AND TAX COLLECTOR TRANSMITTAL NO. 132H

Amount of Aid	\$27,603.00	Account Number	12643926
Amount Paid	0.00	Name	Adult Male
		Service	
Balance Due	\$27,603.00	Date	03/23/2012-04/18/2012
Compromise			Olive View-UCLA Medical
Amount Offered	5,833.41	Facility	Center
Amount to be		Service	
Written Off	\$21,769.59	Type	Inpatient/Outpatient

#### JUSTIFICATION

The client was involved in a slip and fall accident. He was treated at Olive View-UCLA Medical Center at a cost of \$27,603.00. The client did not have Medi-Cal or private insurance.

The attorney has settled the case for the amount of \$100,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 40,000.00	\$ 40,000.00	40.00%
Attorney Cost	1,016.68	1,016.68	1.02%
Aaron Coppleson, MD	2,415.00	511.42	0.51%
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Advanced Medical Solutions	1,423.00	303.55	0.30%
Alex Foxman, MD	1,720.00	366.24	0.37%
Ambulance	1,420.25	300.25	0.30%
Beverly Radiology	1,430.00	303.55	0.30%
County of Los Angeles	27,603.00	5,833.41	5.83%
Craig Fisher (Anesthesiologist)	4,600.00	973.34	0.97%
Industrial Pharmacy	956.75	204.57	0.20%
Jacob Tauber, MD	12,468.10	2,636.26	2.64%
K&B Surgery Center	31,871.76	6,740.77	6.74%
Matt Enna, MD	18,900.00	3,989.58	3.99%
Pacific American Medical Services	353.00	75.89	0.08%
Pacifica Hospital	23,682.14	5,008.56	5.01%
Primex Laboratories	_564.10	122.08	0.12%
Ram Dandillaya, MD	1,744.00	369.54	0.37%
Tiger Valley Medical Group	1,045.00	221.07	0.22%

West Hills Medical Center	1,420.34	300.25	0.30%
Wilshire Surgi-Center	22,448.00	4,747.90	4.75%
Net to Client	N/A	25,975.09	25.98%
Total	\$197,081.12	\$100,000.00	100.00%

Our financial investigation reveals that the client supports himself with Social Security Disability Insurance benefits. He has no other source of income or tangible assets.